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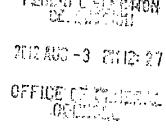
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August 2, 2012



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#### **VIA FEDERAL EXPRESS**

Jeff S. Jordan Supervisory Attorney Complaints Examination and Legal Administration **Federal Election Commission** 999 E Street, NW Washington, D.C. 20463

Re:

MUR 6590

Ohio Republican Party Response to Complaint

Dear Mr. Jordan:

Please accept this letter, submitted on behalf of the Ohio Republican Party ("ORP") to the Complaint filed in the above-referenced matter. For reasons set forth more fully below, the ORP respectfully asks that the Commission find no reason to believe that the ORP committed any violation of the federal election laws or regulations and dismiss the instant matter.

#### I. The Complaint.

Complainant Mark R. Brown alleges that the ORP violated the Federal Election Campaign Act of 1971 ("FECA") by appearing, through its Chairman Robert T. Bennett ("Bennett"), at an event hosted by the Columbus Metropolitan Club ("CMC"). The event (hereinafter "Forum") was held May 23, 2012 and featured a dialogue between Bennett and Ohio Democratic Party Chairman, Chris Redfern ("Redfern"). Bennett and Redfern discussed national politics and commented on the Presidential candidates at a luncheon which was hosted by a moderator and open to the public.

Complainant makes a slagle allegation against the QRP, arguing that the Forum constituted a corporate contribution and that the ORP violated FECA by knowingly accepting such contribution. However, Complainant fails to provide any argument, support, or basis for this sole allegation against the ORP. Instead, Complainant's presumption that any "contribution" was made to the ORP is misplaced as a matter of law, and unsupported by the facts.

Complainant attempts to stitch together a FECA violation by loosely assembling a fact pattern which, upon closer examination, fails to support his arguments. Essentially, Complainant's case is as follows: 1) Bennett is the Chairman of the ORP; 2) the ORP is affiliated with the Republican National Committee ("RNC"); 3) the RNC is expected to nominate Mitt Romney; 4) Bennett made public comments about Romney at the Forum; 5) the Forum

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was sponsored by a corporation; and 6) thus, allegedly, the ORP received a corporate in-kind contribution from the CMC. However, the Complainant's argument is a deck of cards built on a faulty foundation. As outlined in more detail below, no corporate contribution was made by or to any party as a matter of law. Moreover, Complainant provides no explanation or factual basis for his allegation that a so-called "contribution" was made to or received by the ORP.

#### II. Facts.

The ORP is a political party duly organized and operating under the laws of the state of Ohio. It is a State Party Committee governed by FECA. The ORP represents the interests of its members and candidates throughout the state of Ohio. The ORP is affiliated with the Republican National Committee ("RNC") which is expected to nominate Mitt Romney as the party numined for President of the United States at the 2012 Republican National Convention during the week of August 27, 2012. Robert T. Bennett is the duly appointed Chairman of the ORP, and is charged by the Republican State Central and Executive Committee of Ohio Permanent Rules with maintaining and directing ORP headquarters, managing the affairs of the ORP, and carrying out the responsibilities and business of the ORP. [Exhibit A, Article III, Section 1(a) and (b)].

The CMC is a nonprofit corporation, exempt from taxation pursuant to 26 U.S.C. 501(a)(3). (Complaint ¶7); see also MUR 5642, Response from Columbus Metropolitan Club dated March 4, 2005 and attachment thereto). On its web page, the CMC affirms its 501(c)(3) status and describes itself as a member organization that presents a forum "like NPR Live, the office water cooler, the neighborhood coffee shop..." where the community can gather to share, discuss, debate and consider important news and events. (Exhibit B). Weakly forums are held on a wide variety of topics including "the arts, social issues, politics, education, the economy development, downtown revitalization, regional growth, business, entertainment and nearly any newsworthy topic." (Id.) As noted in the Complaint and evident from the attachments thereto, the Forum followed this model to present a public dialogue and interaction, this time on the topic of national politics.

#### III. Argument.

Complainant's sole allegation against the ORP rests on a single premise: that the ORP received a corporate contribution as a result of Bennett's appearance at the Forum. The ORP's involvement in this alleged violation is set forth in Paragraph 4 of the Complaint, which reads, in its entirety:

"As explained more fully below, the Ohio Republican Party and the Ohio Democratic Party are in violation of the FECA, 2 U.S.C. §441b(a), because they knowingly accepted and/or continued to accept the aforementioned corporate contributions."

But Complainant's argument provides no further explanation and fails in two critical respects. First, the CMC's sponsorship of the Forum does not constitute a "contribution" under

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federal law. Providing a facility and organizing an event for this type of a community dialogue does not constitute a "contribution" by the CMC to any condidate or party. And second, even if the Forum were a "contribution," Complainant does not include a single allegation or argument to support his claim that the so-called contribution was made to the ORP or benefitted that organization in any way.

#### A. The CMC Forum did not Constitute a "Contribution" Under FECA.

FECA generally prohibits a corporation from making contributions or expenditures in connection with a federal election. 2 U.S.C. §441b(a); 11 C.F.R. §114.2. However, FEC rules provide an exception to this general prohibition for events exactly like the Forum. 11 C.F.R. 114.4(c)(7)(ii) explicitly permits an incorporated nonprofit educational institution to sponsor appearances by political parties to address the general public. Specifically, 11 C.F.R. 114.4(c)(7)(ii) provides that a corporation may make communications beyond its restricted class under limited circumstances, including:

- (ii) Use of facilities at no charge or at less than the usual and normal charge. An incorporated nonprofit educational institution exempt from federal taxation under 26 U.S.C. 501(c)(3), such as a school, college or university, may sponsor appearances by candidates, candidates' representatives or representatives of political parties at which such individuals address or meet the institution's academic community or the general public (whichever is invited) on the educational institution's premises at no charge or at less than the usual and normal charge, if:
- (A) The educational institution makes reasonable efforts to ensure that the appearances constitute speeches, question and answer sessions, or similar communications in an academic setting, and makes reasonable efforts to ensure that the appearances are not conducted as campaign rallies or events; and
- (B) The educational institution does not, in conjunction with the appearance, expressly advocate the election or defeat of any clearly identified candidate(s) or candidates of a clearly identified political party, and does not favor any one candidate or political party over any other in allowing such appearances.
- 11 C.F.R. I14.4 (c)(7)(ii) is not limited to colleges and universities, but can include other tax-exempt entities like the CMC. The CMC acted, for purposes of the Forum, as an educational institution that meets the requirements for this exemption. The Forum was inoderated by a member of the media, structured in a question and answer format, and accepted questions from the audience. (Complaint, Paragraphs 12, 13, 14, Attachment B.) The Complaint itself evidences that the Forum was not conducted as a campaign rally or event, thus meating the requirement of 11 C.F.R. §114.4(c)(7)(ii)(A). Nothing in the Complaint or the attachments to

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the Complaint suggests that the Forum was operated as a campaign rally of any kind. In order for this exception to apply, 11 C.F.R. 114.4(c)(7)(ii)(B) further requires that the entity spensoring the event does not expressly advocate the election or defeat of a candidate and does not favor any one candidate or party over another. Again, nothing in the Complaint or attachments suggests that the CMC itself made any such comments. In fact, the attachments evidence a careful balance between Bennett and Redfern and an equally careful non-partisan stance by the CMC.

In short, the CMC did not provide a "contribution" to any entity under federal law because its activities in hosting the Forum were specifically exempt under 11 C.F.R. §114.4(c)(7). No contribution exists, thus no violation of FECA occurred.

#### B. The ORP did not Receive any "Contribution" from the CMC.

Complainant alleges that the ORP "knowingly accepted . . . corporate contributions." (Complaint, Paragraph 4.) Then, following a number of statements that summarize the Forum and the statements made during that event, Complainant flatly asserts that the ORP was "complicit in the CMC's violations" and again cites the prohibition on corporate contributions. But nowhere in the entire Complaint does the Complainant specify what exactly was contributed to the ORP. Even assuming, for the sake of argument, that any "contribution" exists, it was not made to the ORP nor does the Complainant allege that it was.

Simply put, the Complaint fails to set forth specific facts that, even if true, could support a reason to believe that the ORP violated FECA. Instead, Complaint loosely about outlines facts the Forum and asks this Commission to connect the dots to find a violation. However, "[u]nwarranted legal conclusions from asserted facts, or mere speculation, will not be accepted as true." Statement of Reasons, MUR 4960 at 2 (Hillary Rodham Clinton for U.S. Exploratory Committee, December 21, 2000).

Complainant asks for a finding that the ORP received a corporate contribution. But Complainant fails to allege what the ORP received or how it benefitted. Providing a forum for any person to make a statement about a federal candidate does not constitute a "contribution" to the speaker. Although Complainant names the ORP as a party, Complainant cites to no fact and provides no explanation of what gift, subscription, loan, advance, or deposit of money, or anything of value was given to the ORP. Other than the space at the Forum itself, Complainant asserts no other thing of value or in-kind contribution made by the CMC to any party, let alone the ORP. Complaint provides no set of facts that suggests a reason to believe any FECA violation has occurred.

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#### IV. Conclusion.

The Complaint fails to provide any reason to believe that a contribution, as defined in federal law, was made to any party by the CMC. Not only does the Forum fit squarely into a defined exception provided for educational events, but the Complaint contains no allegations that anything of value was ever provided to the ORP. As such, the ORP respectfully requests a dismissal of MUR 6590.

Very truly yours,

Maria J. Armstrong

## REPUBLICAN STATE CENTRAL AND EXECUTIVE COMMITTEE OF OHIO PERMANENT RULES

Filed with the Secretary of State and Revised As Of February 3, 2012

#### **ARTICLE I**

#### Organization

Section 1

The controlling committee of the Ohio Republican Party, the Republican State Central Committee, shall consist of two members, one man and one woman, representing each senatorial district in the state. All members of the Committee shall be members of the Republican Party and shall be elected for terms of two years, by direct vote at the primary hald in an even-numbered year. Candidates for election as State Central Committee members shall be elected at primaries in the same manner as provided in Sections 3513.01 to 3513.32 of the Revised Code (or any successor provisions then in effect) for the nomination of candidates for office in a county.

Section 2

At the first meeting of the State Central Committee following the election and qualification of its members, all of its officers, the chairman and co-chairman of the Ohio Republican Finance Committee, and the National Committeeweman, shall be nominated and elected to the State Executive Committee, which shall then be merged into the Republican State Central Committee.

Section 3

After the action directed in Section 2, the name of this Committee shall be the Republican State Central and Executive Committee of Ohio, and it will hereinafter be referred to as the Committee.

Section 4

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The Committee shall manage the offairs of the Republican Party in the State of Ohio; howe responsibility for its day-io-day operations at the State level; direct the general policy of the party organization; direct and conduct campaign activities; designate as an element of this Committee, the Ohio Republican Finance Committee, which shall be the principal fundraising adjunct of the Ohio Republican Party, and the Committee hereby commits to assist the Ohio Republican Finance Committee fully in its fundraising efforts. The Committee may also designate such political and fundraising auxiliaries and such candidate supporting entities as it may choose from time-te-time; promote the best interests of the Party; and perform all duties prescribed by the Ohio Revised Code, federal election law, and by these Rules and/or by custom required of it. In its campaign activities relating to offices created by Ohio law, conducted either directly or through the Ohio Republican Party Campaign Committee and in reports therein to the Secretary of State and the Federal Elections Commission, this Committee



shall identify itself as the Ohio Republican Party, and shall be referred to as the Ohio Republican Party.

Section 5

No person elected to or holding any elected public office, other than a political party office, or member of a local board of elections or a presidential elector, shall be qualified to be elected to or serve on the State Central Committee, or except as provided in Article II, Section 2, serve as an officer of the State Committee.

#### **ARTICLE II**

#### Officers

Section 1

In the first meeting of the Committee following the election and qualification of its members on 1992, the Committee shall meet and elect its officers by a majority vote of all its members. Thereafter, during the first two weeks of January 1995, and thereafter in the first two weeks of January of each odd-numbered year, the Committee shall meet and elect its officers by a majority vote of all the members of the Committee. Any contested election for officers shall be voted by secret ballot. The officers shall serve at the pleasure of a majority of all the mornbors of the Committee, or until their successors are elected and qualified. Unless otherwise provided by law (Ohio Revised Code Section 3517.02 or any successor provision then in effect), the Committee shall be the judge of the qualifications and the election of its members of the Committee. All contests of the election of members shall be brought, filed and determined in accordance with the laws of Ohio (Ohio Revised Code Section 3517.02 and Ohio Revised Code Section 3517.03 or any successor provision then in effect) and the rules of the Committee, not inconsistent therewith.

Section 2

The officers of the Committee shall be a Chairman, a Vice Chairman, a Secretary, a Treasurer and an Assistant Treasurer.

Section 3

The Committee may designate the position of Chairman Emeritus and Vice Chairman Emeritus for those persons who have served the Ohio Republican Party for a consistent period of time no less than 25 years, in addition to being Chairman or Vice Chairman within that time of service. They shall be elected by a majority vote of the Committee.

Section 4

As required by Ohio Revised Code Section 3517.02 (or any successor provision then in effect) a list of officers and member of the standing committees shall be filed with the Secretary of State within thirty days after their election.

#### **ARTICLE III**

#### **Duties of Officers**

#### Section 1

- (a) The Chairman shall maintain and direct the operation of the headquarters for the Committee in Columbus, which shall be open during ordinary business hours to Republicans and other citizens of Ohio who have business with it. The Chairman shall also manage the affairs of the Committee, perform all other duties prescribed by statute or usually exercised by the Chairman and not inconsistent with these rules.
- (b) The Chairman shall devote full time and attention to the duties, responsibilities and business of the Ohio Republican Party. The Chairman shall not, at any time, use his or her official position or the products or services of the Ohio Republican Party for private or personal gain. Nothing in this Section, however, shall prohibit the Chairman from accepting reasonable fees or honoraria as well as reimbursement for expenses for speeches, lectures, seminars or panel participation, or for published writings and recordings in relation to his or her position as Chairman.

The Chairman may engage in other business or professional activities so long as these activities do not interfere or conflict with the duties and responsibilities of being Chairman of the Ohio Republican Party. The Chairman shall not under any circumstances, other than for Party business, engage in lebbying the executive or legislative branches of local, state, or federal governments. The Committee reserves the right, upon request, to review the Chairman's non-party business and professional income to ensure that the work performed for such income does not interfere with the full time duties and responsibilities of the Chairman in his role as Chairman of the Party. The Chairman shall not serve as chairman of a County Republican Executive or Central Committee.

The Committee, at its meeting immediately prior to the election of the Chairman, shall review this Section 1(b) of Article III of the Permanent Rules to determine whether to make any changes thereto.

(c) The Chairman shall be paid a salary not less than that of the lowest paid state elected official and not more than that of the highest paid state elected official.

# Section 2 The Vice Chairman shall perform the duties of the Chairman in the event of Chairman's absence, death, removal from office, resignation, removal from the State of Ohio, or inability to act, until a new Chairman is elected and qualified. In such case, the Secretary shall call a meeting of the Committee within 30 days for the purpose of electing a new Chairman.

Additionally, the Vice-Chairman will work under the direction of the Chairman to help accomplish the political and financial objectives set by the Ohio Republican Party.

## Section 3 The Secretary shall keep the minutes of all meetings, copies of which shall be sent to all members within ten (10) days after the meeting, and shall keep and be the custodian of the permanent books and records of the Committee except financial records.

The Treasurer shall be responsible for all funds belonging to the Committee, and keep proper books of account on all monies received and paid out as to the Federal and State Campaign Accounts. The Treasurer shall file all appropriate financial reports, as required by law. Treasurer shall not pay out monies except by check countersigned by the Chairman or Vice Chairman, or the designee of either of them. The Treasurer shall render proper accounting to the Committee at each moeting thereof and shall be fully accountable to the Committee for all acts and doings as Treasurer.

# Section 5 The Assistant Treasurer shall perform the duties of the Treasurer in the event of the Treasurer's death, absence, resignation, or removal from office, removal from the State of Ohio or inability to act, until a successor is elected and qualified. The Assistant Treasurer shall be bonded for twenty-five thousand dollars and the Committee shall pay the premium for such bond.

- Section 6 The Ohie Republican Party shall also employ a Chief Financial Officer, who shall be tended for twenty-five thousand dallare and the Committee shall pay the premium for such bond.
- Section 7

  No officer or member of the Committee shall have any power to bind this Committee by any financial contract or obligation except as provided by these rules, or by resolution properly adopted by the Committee and properly recorded by the Secretary in the minutes of the Committee.
- Except as provided in Section 2(a) of this Article, if the Chairman or my other officer of the Committen shall announce his/her candidacy for any elected effice, not including a presidential elector, such announcement shall be considered a resignation from the Party office that the individual holds, and that office shall immediately become vacant.

Section 9

The Committee shall purchase a bond or insurance for at least \$25,000.00 to protect the committee from errors, misfbasance or malfeasance by the Treasurer, Assistant Treasurer, Chief Financial Offitter, and such other officers or employees as the Chairman shall direct. The Chairman shall determine, in consultation with the Fiscal Review Committee, the nature and amount of the bond or insurance and may adjust the coverage as may be in the best interests of the Committee.

#### **ARTICLE IV**

#### Standing Committees

- Section 1 The Standing Committees of the State Committee shall be: Audit, Budget Oversight, Fiscal Review, Policy, Chairman and Vice Chairman Review, and State Convention Arrangements.
- The members of the Standing Committees shall be elected at the first meeting of the Committee following the election of its members. The Committee's membership shall be nominated for election by a Committee on Committees, which shall consist of three members who shall be elected at the same meeting. The Committee shall then elect persons nominated by the Committee on Committees, to serve on Standing Committees.
- The Chairman of the Committee shall also serve as Chairman of the Policy Committee. The Audit Committee, Budget Oversight Committee, Fiscal Review Committee, and the Chairman and Vice Chairman Review Committee shall elect their own chairman. The Chairman of the Committee shall appoint the Chairman of the State Convention Arrangements Committee.
- The Fiseal Review Committee shall consist of the Chairman, Vice Chairman, Secretary, and Treasurer, and such others who may or may not be members of the Committee, as the Committee may elect. The Fiscal Review Committee shall consider and approve the budget, pass upon recommendations to the Chairman as to staff salaries, authorize expenditures and arrange for the collection of funds.
- The Budget Oversight Committee shall be composed of seven members of the State Central and Executive Committee and the Ohio Republican Finance Committee; and the authorized number of members to be elected to the Budget Oversight Committee from the Ohio Republican Finance Committee shall never be fewer than one member less than a majority of the total membership of the Budget Oversight Committee.

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the community's conversation

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#### About us

#### CMC is the Community's Conversation

The Columbius Metropolisian Club is like MPP Live; like the office water colors, the neighborhood coffee shop the score bar during a big game, the litting table at supporting. It's where we look forward to isolate our tainth, and thorids to share important news, describe it, and that it would remain about the remaindations for curselves; our neighbors, our community, and our world. Jump in: Join the conversation

unarioss ocivilles including government law, fundes, health care, real state, development, architecture, service, military, tourism, education, trades, marketing, public relations, sales and many other walks of file.

Diversity: Discussion, Debate - Our program car of more than 33 members evaluates and screen fearth topic and speaker to searth the strongest programming in central Chia. "Mc states in a reputation on being belanced, not pertian, dive open to ell parapocavas throughout our program year."

CMC forums are typically held every. Wednes noon to 1:15 p.m. at the Africtic Club of Colu E. Broad Street, On appeals of the week and allo held on an atternate day of the week and allo

Up-to-date forum information is always available on tha website or on the front page of the inside section of Wednesday's Daily Reporter.

The Columbus Metrapellian Club is a 501(c)3 Non-Profit Organization

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